



City of Loma Linda Official Report

Floyd Petersen, Mayor
Karen Hansberger, Mayor pro tempore
Robert Christman, Councilmember
Stan Brauer, Councilmember
Robert Ziprick, Councilmember

COUNCIL AGENDA: January 13, 2004

TO: City Council

SUBJECT: Request from Ryland Homes to establish a Community Facilities District (CFD) at the Mission Trails Development – Tract 16341 – south side of Mission Road

December 29, 2003

Mr. Dennis Halloway
City Manager
City of Loma Linda
25541 Barton Road
Loma Linda, CA 92354

RE: Ryland Homes-Tract 16341-Proposed Community Facilities District)

Dear Mr. Halloway:

Thank you for taking the time to meet with Ryland Homes to discuss the possibility of implementing a Community Facilities District (CFD) at our new community Mission Trails. As you know Loma Linda's implementation of the Connected Community Program (CCP) comes at a significant financial cost to Ryland Homes. The challenge we face is that the CCP did not exist at the time we purchased the land. Our project's business plan did not anticipate the cost to fund the required infrastructure. After analysis we believe a CFD is the best option to offset the substantial financial impact the CCP will have to our project. Therefore, we are requesting this matter be considered by the City Council at their meeting of January 13, 2004.

In general terms we are proposing a CFD with net proceeds of \$3,000,000 to Ryland. These proceeds will help pay for sewer, water, and storm drain improvements as well as fees for the following: sewers, water, transportation, fire and general facilities. The CFD would allow any individual homebuyer the option of prepaying in full the bonded amount they are responsible for should they so choose. We would use Development Planning & Financing Group as our CFD consultant and John Yeager of Hewett & O'Neil as our counsel. Time is of the essence regarding our proposal.

We are continuing to install all improvements (conduit in the street and in-home wiring) assuming full compliance with the CCP. If you need any additional information regarding this proposal please contact me at (909) 273-3473 and I will get it to you. I look forward to working with you and the City Council on this issue and thank you for your consideration.

Sincerely,

Scott McKhann
Director of Forward Planning

cc: Floyd Petersen – Mayor
Robert H. Christman – Councilmember
Robert Ziprick - Councilmember

Karen L. Hansberger – Mayor pro tempore
Stan Brauer – Councilmember